

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

One Communications Corp., as successor in  
interest to CTC Communications Group, Inc.  
and CTC Communications, Acquisition  
Corp.,

Plaintiff,

- v. -

JP Morgan SBIC LLC, Sixty Wall Street  
SBIC Fund, L.P., the Megunticook Fund II,  
L.P., The Megunticook Side Fund II, L.P.,  
Kevin O'Hare, Jeffrey Koester, Mellon  
Investor Services LLC as nominal defendant  
as escrow agent and Verizon New England  
Inc. as defendant on a declaratory judgment  
claim,

Defendants.

Honorable Laura T. Swain

07 CIV 3905

**ANSWER OF NOMINAL  
DEFENDANT MELLON  
INVESTOR SERVICES, LLC**

Nominal Defendant MELLON INVESTOR SERVICES, LLC ("Mellon"), by its  
attorneys Kelley Drye & Warren LLP, as and for its Answer to the Complaint of Plaintiff One  
Communications Corp. as successor in interest to CTC Communications Group, Inc. and CTC  
Communications Acquisition Corp. ("Plaintiff"), states as follows:

1. Denies knowledge or information sufficient to form a belief as to the truth  
of the allegations contained in paragraph 1 of the Complaint, except admits that Plaintiff has  
named Mellon as a nominal defendant in this action.

2. Denies knowledge or information sufficient to form a belief as to the truth  
of the allegations contained in paragraph 2 of the Complaint.

3. Denies knowledge or information sufficient to form a belief as to the truth  
of the allegations contained in paragraph 3 of the Complaint.

4. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 4 of the Complaint.

5. States that the allegations contained in paragraph 5 of the Complaint state legal conclusions that do not require a response.

6. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 6 of the Complaint.

7. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 7 of the Complaint.

8. States that the allegations contained in paragraph 8 of the Complaint state conclusions that do not require a response.

9. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 9 of the Complaint.

10. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 10 of the Complaint.

11. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 11 of the Complaint.

12. Admits the allegations contained in paragraph 12 of the Complaint.

13. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 13 of the Complaint.

14. States that the allegations contained in paragraph 14 of the Complaint state legal conclusions that do not require a response.

15. States that the allegations contained in paragraph 15 of the Complaint state legal conclusions that do not require a response.

16. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 16 of the Complaint.

17. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 17 of the Complaint.

18. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 18 of the Complaint.

19. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 19 of the Complaint.

20. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 20 of the Complaint.

21. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 21 of the Complaint.

22. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 22 of the Complaint.

23. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 23 of the Complaint.

24. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 24 of the Complaint.

25. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 25 of the Complaint.

26. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 26 of the Complaint.

27. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 27 of the Complaint.

28. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 28 of the Complaint.

29. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 29 of the Complaint.

30. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 30 of the Complaint.

31. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 31 of the Complaint.

32. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 32 of the Complaint.

33. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 33 of the Complaint.

34. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 34 of the Complaint.

35. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 35 of the Complaint.

36. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 36 of the Complaint.

37. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 37 of the Complaint.

38. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 38 of the Complaint.

39. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 39 of the Complaint.

40. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 40 of the Complaint.

41. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 41 of the Complaint.

42. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 42 of the Complaint.

43. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 43 of the Complaint.

44. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 44 of the Complaint.

45. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 45 of the Complaint.

46. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 46 of the Complaint.

47. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 47 of the Complaint.

48. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 48 of the Complaint.

49. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 49 of the Complaint.

50. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 50 of the Complaint.

51. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 51 of the Complaint.

52. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 52 of the Complaint.

53. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 53 of the Complaint.

54. States that the allegations in paragraph 54 of the Complaint state legal conclusions that do not require a response.

55. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 55 of the Complaint.

56. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 56 of the Complaint.

57. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 57 of the Complaint.

58. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 58 of the Complaint.

59. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 59 of the Complaint.

60. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 60 of the Complaint.

61. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 61 of the Complaint.

62. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 62 of the Complaint.

63. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 63 of the Complaint.

64. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 64 of the Complaint.

65. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 65 of the Complaint.

66. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 66 of the Complaint.

67. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 67 of the Complaint.

68. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 68 of the Complaint.

69. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 69 of the Complaint.

70. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 70 of the Complaint.

71. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 71 of the Complaint.

72. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 72 of the Complaint.

73. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 73 of the Complaint.

74. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 74 of the Complaint.

75. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 75 of the Complaint.

76. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 76 of the Complaint.

77. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 77 of the Complaint.

78. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 78 of the Complaint.

79. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 79 of the Complaint.

80. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 80 of the Complaint.

81. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 81 of the Complaint.

82. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 82 of the Complaint.

83. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 83 of the Complaint.

84. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 84 of the Complaint.

85. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 85 of the Complaint.

86. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 86 of the Complaint.

87. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 87 of the Complaint.

88. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 88 of the Complaint.

89. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 89 of the Complaint.

90. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 90 of the Complaint.

91. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 91 of the Complaint.

92. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 92 of the Complaint.

93. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 93 of the Complaint.

94. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 94 of the Complaint.

95. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 95 of the Complaint.

96. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 96 of the Complaint.

97. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 97 of the Complaint.

98. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 98 of the Complaint.

99. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 99 of the Complaint.

100. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 100 of the Complaint.

101. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 101 of the Complaint.

102. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 102 of the Complaint.

103. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 103 of the Complaint, except admits that an amount

was placed in escrow with Mellon pursuant to the terms of an Escrow Agreement, that the Escrow Agreement contains procedures regarding claims and refers to the Escrow Agreement for the contents thereof.

104. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 104 of the Complaint.

105. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 105 of the Complaint.

106. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 106 of the Complaint.

107. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 107 of the Complaint.

**AS AND FOR MELLON'S ANSWER TO COUNT I OF THE COMPLAINT**

108. Repeats and realleges the responses to the allegations contained in Paragraphs 1 through 107 of the Complaint as if fully stated herein.

109. States that the allegations contained in Paragraph 109 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 109 of the Complaint.

110. States that the allegations contained in Paragraph 110 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be

required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 110 of the Complaint.

111. States that the allegations contained in Paragraph 111 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 111 of the Complaint.

112. States that the allegations contained in Paragraph 112 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 112 of the Complaint.

113. States that the allegations contained in Paragraph 113 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 113 of the Complaint.

114. States that the allegations contained in Paragraph 114 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 114 of the Complaint.

115. States that the allegations contained in Paragraph 115 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 115 of the Complaint.

116. States that the allegations contained in Paragraph 116 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 116 of the Complaint.

117. States that the allegations in Paragraph 117 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 117 of the Complaint.

**AS AND FOR MELLON'S ANSWER TO COUNT II OF THE COMPLAINT**

118. Repeats and realleges the responses to the allegations in Paragraphs 1 through 117 of the Complaint as if fully stated herein.

119. States that the allegations contained in Paragraph 119 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 119 of the Complaint.

120. States that the allegations contained in Paragraph 120 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 120 of the Complaint.

121. States that the allegations contained in Paragraph 121 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be

required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 121 of the Complaint.

**AS AND FOR MELLON'S ANSWER TO COUNT III OF THE COMPLAINT**

122. Repeats and realleges the responses to the allegations in Paragraphs 1 through 121 of the Complaint as if fully stated herein.

123. States that the allegations contained in Paragraph 123 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 123 of the Complaint.

124. States that the allegations contained in Paragraph 124 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 124 of the Complaint.

125. States that the allegations contained in Paragraph 125 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 125 of the Complaint.

126. States that the allegations contained in Paragraph 126 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 126 of the Complaint.

127. States that the allegations contained in Paragraph 127 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 127 of the Complaint.

128. States that the allegations contained in Paragraph 128 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 128 of the Complaint.

129. States that the allegations contained in Paragraph 129 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 129 of the Complaint.

130. States that the allegations contained in Paragraph 130 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 130 of the Complaint.

**AS AND FOR MELLON'S ANSWER TO COUNT IV OF THE COMPLAINT**

131. Repeats and realleges the responses to the allegations in Paragraphs 1 through 130 of the Complaint as if fully stated herein.

132. States that the allegations contained in Paragraph 132 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be

required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 132 of the Complaint.

133. States that the allegations contained in Paragraph 133 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 133 of the Complaint.

134. States that the allegations contained in Paragraph 134 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 134 of the Complaint.

135. States that the allegations contained in Paragraph 135 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 135 of the Complaint.

**AS AND FOR MELLON'S ANSWER TO COUNT V OF THE COMPLAINT**

136. Repeats and realleges the responses to the allegations in Paragraphs 1 through 135 of the Complaint as if fully stated herein.

137. States that the allegations contained in Paragraph 137 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 137 of the Complaint, and denies all allegations contained in Paragraph 137 of the Complaint to the extent such allegations are directed against Mellon.

138. States that the allegations contained in Paragraph 138 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 138 of the Complaint, and denies all other allegations contained in paragraph 138 of the Complaint to the extent such allegations are directed against Mellon.

139. States that the allegations contained in Paragraph 139 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 139 of the Complaint, and denies all other allegations contained in paragraph 139 of the Complaint to the extent such allegations are directed against Mellon.

140. Denies allegations contained in Paragraph 140 of the Complaint to the extent such allegations are directed against Mellon, except admits that an amount was transferred to Mellon under the Escrow Agreement and refers to the Escrow Agreement for the contents thereof.

141. States that the allegations contained in Paragraph 141 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 141 of the Complaint, and denies all other allegations contained in paragraph 141 of the Complaint to the extent such allegations are directed against Mellon.

142. States that the allegations contained in Paragraph 142 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 142 of the Complaint, and denies all other allegations contained in paragraph 142 of the Complaint to the extent such allegations are directed against Mellon.

**AS AND FOR MELLON'S ANSWER TO COUNT VI OF THE COMPLAINT**

143. Repeats and realleges the responses to the allegations in Paragraphs 1 through 142 of the Complaint as if fully stated herein.

144. States that the allegations contained in paragraph 144 of the Complaint stated legal conclusions that do not require a response. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 144 of the Complaint, and denies all other allegations contained in paragraph 144 of the Complaint to the extent such allegations are directed against Mellon.

145. States that the allegations contained in Paragraph 145 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 145 of the Complaint, and denies all other allegations contained in paragraph 145 of the Complaint to the extent such allegations are directed against Mellon.

146. States that the allegations contained in Paragraph 146 of the Complaint are not directed against Mellon so no response is required. To the extent a response may be required, denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 146 of the Complaint, and denies all other allegations contained in paragraph 146 of the Complaint to the extent such allegations are directed against Mellon.

**AS AND FOR A FIRST AFFIRMATIVE DEFENSE**

The Complaint does not, and does not purport to state, a claim of wrongdoing by Mellon upon which relief may be granted.

**AS AND FOR A SECOND AFFIRMATIVE DEFENSE**

Mellon is entitled to, and invokes, the protections of Section 6 of the Escrow Agreement.

**AS AND FOR A THIRD AFFIRMATIVE DEFENSE**

Under the Escrow Agreement, Mellon is entitled to reimbursement of its reasonable out of pocket costs and expenses, including without limitation reasonable fees and disbursements of counsel in connection with this action.

**AS AND FOR A FOURTH AFFIRMATIVE DEFENSE**

Mellon is entitled to be indemnified by the parties to the Escrow Agreement.

WHEREFORE, Defendant Mellon demands judgment as follows:

- (a) dismissing with prejudice all claims, to the extent any such claims assert wrongdoing against Mellon;
- (b) awarding the costs of defending this action, including reasonable attorneys' fees, costs and disbursements; and

(c) granting such other and further relief as this Court may deem just and proper.

Dated: September 14, 2007

MELLON INVESTOR SERVICES, LLC

By: /s/Nicholas J. Panarella  
Nicholas J. Panarella  
KELLEY DRYE & WARREN LLP  
101 Park Avenue  
New York, NY 10178  
(212) 808-7800

Attorneys for Nominal Defendant  
Mellon Investor Services, LLC